

1 Adopt 2 Cal. Code Regs. Section 18530.2:

2 **18530.2. Transfer of Funds Raised Prior to Proposition 34 Limits.**

3 (a) Candidates for Elective State Office Other Than Statewide Elective Office:

4 (1) Pursuant to Government Code section 85306, subdivision (b), a candidate for
5 elective state office, other than a candidate for statewide elective office, may transfer
6 funds possessed on January 1, 2001, to a controlled committee of the same candidate for
7 an election held after January 1, 2001 without attributing the funds to specific

8 contributors. [Decision 1: {Option A – One-Time Transfer: The funds become subject
9 to the provisions of Government Code section 85306, subdivision (a), once they are
10 transferred to any committee designated for an election to be held after January 1, 2001.}

11 **{Option B – Unlimited Transfers if not Commingled: There is no limit to the number**
12 **of times the candidate may transfer without attribution funds possessed on January 1,**
13 **2001. Once, however, any funds are transferred to a committee that also possesses, at**
14 **any time after the transfer, contributions received after January 1, 2001, then all of the**
15 **funds held by the committee become subject to the provisions of Government Code**
16 **section 85306, subdivision (a). w/ optional: Except as provided above, there is no limit**
17 **to the number of times the candidate may transfer without attribution funds possessed on**
18 **January 1, 2001, except that once a committee for an election held after January 1, 2001**
19 **makes any expenditure for the purposes described in Government Code section 82015,**
20 **subdivisions (b)(2)(C)(i)-(v) and (viii), then all of the funds held by the committee**
21 **become subject to the provisions of Government Code section 85306, subdivision (a).}**

22 **{Option C – Commingling and Expenditures Permitted: There is no limit to the**
23 **number of times the candidate's committee may transfer without attribution funds**

1 possessed on January 1, 2001, so long as the receiving committee's funds never fall
2 below the amount of funds transferred. The amount of funds that may be transferred
3 without attribution pursuant to Government Code section 85306, subdivision (b), is
4 permanently reduced by an amount identical to the largest sum that cash on hand falls
5 below the amount transferred.}]

6 (2) Only funds held by a committee on January 1, 2001, may be transferred
7 without attribution. The amount that may be transferred without attribution is reduced by
8 any amount expended by the committee since January 1, 2001, regardless of the receipt
9 by the committee of additional contributions after January 1, 2001.

10 (3) Campaign funds possessed on January 1, 2001, by a candidate for elective
11 state office, other than a candidate for statewide elective office, that were transferred for
12 the 2002 state primary or general elections are subject to the provisions of Government
13 Code section 85306, subdivision (a).

14 (b) Candidates for Statewide Elective Office:

15 (1) Pursuant to Government Code section 85306, subdivision (b), a candidate for
16 elective state office, other than a candidate for statewide elective office, may transfer
17 funds possessed on November 6, 2002 to a controlled committee of the same candidate
18 for an election held after November 6, 2002 without attributing the funds to specific
19 contributors. [Decision 1: {Option A – One-Time Transfer: The funds become subject
20 to the provisions of Government Code section 85306, subdivision (a), once they are
21 transferred to any committee designated for an election to be held after November 6,
22 2002.} {Option B – Unlimited Transfers if not Commingled: There is no limit to the
23 number of times the candidate may transfer without attribution funds possessed on

1 November 6, 2002. Once, however, any funds are transferred to a committee that also
2 possesses, at any time after the transfer, contributions received after November 6, 2002,
3 then all of the funds held by the committee become subject to the provisions of
4 Government Code section 85306, subdivision (a). **w/ optional:** Except as provided
5 above, there is no limit to the number of times the candidate may transfer without
6 attribution funds possessed on November 6, 2002, except that once a committee for an
7 election held after November 6, 2002 makes any expenditure for the purposes described
8 in Government Code section 82015, subdivisions (b)(2)(C)(i)-(v) and (viii), then all of
9 the funds held by the committee become subject to the provisions of Government Code
10 section 85306, subdivision (a). } **{Option C – Commingling and Expenditures**

11 **Permitted:** There is no limit to the number of times the candidate’s committee may
12 transfer without attribution funds possessed on November 6, 2002, so long as the
13 receiving committee’s funds never fall below the amount of funds transferred. The
14 amount of funds that may be transferred without attribution pursuant to Government
15 Code section 85306, subdivision (b), is permanently reduced by an amount identical to
16 the largest sum that cash on hand falls below the amount transferred.}]

17 (2) Only funds held by a committee on November 6, 2002, may be transferred
18 without attribution. The amount that may be transferred without attribution is reduced by
19 any amount expended by the committee since November 6, 2002, regardless of the
20 receipt by the committee of additional contributions after November 6, 2002.

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22 NOTE: Authority cited: Section 83112, Government Code.
23 Reference: Sections 82015 and 85306, Government Code.
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Finding of Emergency

The Fair Political Practices Commission finds that an emergency exists and that adoption of the foregoing regulation is necessary for the immediate preservation of the public peace, health, safety or general welfare. A statement of the facts constituting such emergency is:

Statement of Facts

On November 7, 2000, the voters approved Proposition 34, which makes significant additions and amendments to the Political Reform Act (Government Code section 81000 et seq.). The statutory changes affect the conduct of the political process at the state and local level, and also similarly affect the exercise of political rights by individuals, parties and organizations. Clarification and orderly implementation of these statutory changes by the Commission in emergency regulations are necessary to minimize disruption of the political process.

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